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14 UNITED STATES DISTRICT COURT
15 CENTRAL DISTRICT OF CALIFORNIA

17 SECURITIES AND EXCHANGE
18 COMMISSION,

19 Plaintiff,
20 vs.
21 Safevest, LLC; Jon G. Ervin; and John
V. Slye,
22 Defendants.

Case No. SACV08-00473 JVS (MLGx)

**ORDER TO SHOW CAUSE RE
CONTEMPT**

Judge: Hon. James V. Selna

1 **TO ALL INTERESTED PARTIES:**

2 Thomas A. Seaman ("Receiver"), Court-appointed permanent receiver for
 3 Safevest, LLC, and its subsidiaries and affiliates (collectively, "Safevest" or the
 4 "Receivership Entities"), and his counsel of record, Allen Matkins Leck Gamble
 5 Mallory & Natsis LLP ("Allen Matkins"), (together, "Movants") have applied on an
 6 emergency *ex parte* basis, for an requiring **A. Stephenson Wallace** and his attorney
 7 **David A. Bellon** ("Respondents") to show cause why they should not be held in
 8 contempt and sanctioned for violating this Court's Preliminary Injunction Order,
 9 dated May 12, 2008 ("PI Order"). Doc #16. In the alternative, Movants sought an
 10 order to have a noticed motion for an OSC re Contempt heard on shortened notice.

11 The Court, having considered the ex parte application, having received no
 12 opposition, and finding good cause, hereby grants the application and orders as
 13 follows:

14 1. Respondents A. Stephenson Wallace and his attorney David A. Bellon
 15 are ordered to show cause in this Court why Respondents should not be held in civil
 16 contempt and sanctioned for violating the PI Order by:

17 (a) filing an adversary complaint against the Receiver and Allen Matkins in
 18 the U.S. Bankruptcy Court, Southern District of Georgia (Adv. Pro. No. 11-
 19 01050)(("Adversary Proceeding"), without first obtaining leave of this Court as
 20 required under the PI Order and/or 28 U.S.C. § 959; and

21 (b) moving for and obtaining an order from said Bankruptcy Court purporting
 22 to substantively consolidate the estate of these Receivership Entities with the
 23 debtor's estate in said bankruptcy case, without notice to the Receiver and without
 24 first obtaining relief from the PI Order from this Court.

25 2. The sanctions to be issued may include, without limitation, monetary
 26 sanctions against Respondents, jointly and severally, in an amount sufficient to
 27 cover the fees and costs incurred by the receivership estate as a result of the conduct
 28 alleged in Paragraph 1 above.

1 3. A hearing on the Order to Show Cause is set for **November 22, 2011 at**
2 **4:00 p.m.** before the Honorable James V. Selna, Courtroom 10C, 411 West Fourth
3 Street, Santa Ana, CA 92701. If either Respondent objects to being held in civil
4 contempt, such Respondent shall file a legal memorandum of points and authorities
5 and declarations containing his objections no later than November 17, 2011.
6 Movants may file a response no later than 9:00 a.m. November 21, 2011.

7 4. Without limitation as to other means, filing of this Order in the
8 Adversary Proceeding and service therein by ECF or mail shall constitute proper
9 notice and service of this Order on Respondents.

10 || IT IS SO ORDERED.

12 || Dated: November 10, 2011

James V. Kelso

James V. Selna
United States District Judge